

ORG. UNIT: 1019

BUDGET: DAS – Office for Persons with Disabilities

FINANCE & AUDIT COMMITTEE HEARING DATE: October 11, 2005

CASSETTE NO. 4, SIDE A, #405 to 469

STAFF PRESENT:

County Board: Steve Cady
Department of Administration: Steve Agostini
County Executive: Ed Eberle

APPEARANCES: Mr. Don Natzke, Director, Department of Administrative Services,
Office for Persons with Disabilities

ACTION BY: (MAYO) *Approve the budget as recommended by the County Executive.*
7-0

AYES: McCue, Coggs-Jones, Mayo, Johnson, Broderick, West & Nyklewicz (Chair) – 7

NOES: 0

EXCUSED: None

Maribeth Welchman

Maribeth Welchman, Committee Clerk

ORG. UNIT: 1110

BUDGET: Civil Service Commission

FINANCE & AUDIT COMMITTEE HEARING DATE: October 11, 2005

CASSETTE NO. 4, SIDE A, #470 to 477

STAFF PRESENT:

County Board: Steve Cady
Department of Administration: Steve Agostini
County Executive: Ed Eberle

ACTION BY: (MAYO) Approve the budget as recommended by the County Executive.
7-0

AYES: McCue, Coggs-Jones, Mayo, Johnson, Broderick, West & Nyklewicz (Chair) – 7

NOES: 0

EXCUSED: None

Maribeth Welchman

Maribeth Welchman, Committee Clerk

ORG. UNIT: 1130

BUDGET: Corporation Counsel

FINANCE & AUDIT COMMITTEE HEARING DATE: October 11, 2005

CASSETTE NO. 4, SIDE A, #024 to 395

STAFF PRESENT:

County Board: Steve Cady, Rick Ceschin
Department of Administration: Steve Agostini
County Executive: Ed Eberle

APPEARANCES: Mr. William Domina, Milwaukee County Corporation Counsel
Ms. Mary Ann Grimes, Deputy Corporation Counsel
Mr. Glenn Bultman, County Board Research Analyst

Mr. Domina stated that the new attorney positions are necessary for review of open records processes and to review county real estate documents. Supervisor West requested information on hiring attorneys versus contracting for these services on an as-needed basis.

ACTION BY: (MC CUE) Deny the creation of two positions of principal assistant corporation counsel and one position of legal secretary. 4-3

AYES: McCue, Mayo, Broderick and Nyklewicz - 4

NOES: Coggs-Jones, Johnson and West - 3

EXCUSED: None

ACTION BY: (MAYO) Lay over (motion later withdrawn).

ACTION BY: (COGGS-JONES) Approve the budget recommended by the County Executive, as amended. 7-0

AYES: McCue, Coggs-Jones, Mayo, Johnson, Broderick, West & Nyklewicz (Chair) – 7

NOES: 0

EXCUSED: None

Maribeth Welchman

Maribeth Welchman, Committee Clerk

ORG. UNIT: 1140

BUDGET: DAS – Human Resources Division

FINANCE & AUDIT COMMITTEE HEARING DATE: October 11, 2005

CASSETTE NO. 4, SIDE A, #478 to 619

STAFF PRESENT:

County Board: Steve Cady
Department of Administration: Steve Agostini
County Executive: Ed Eberle

APPEARANCES: Mr. Chuck McDowell, Director, Division of Human Resources (DHR)
Dr. Karen Jackson, Deputy Director, DHR

Supervisor Mayo asked for clarification of the decrease in positions in the Division of Human Resources. Mr. McDowell stated that five positions were eliminated and one created to coordinate county-wide policies and procedures and to identify resources that the departments need to move forward.

Supervisor West requested consideration of an amendment to change the title of the new position to "employment relations coordinator." Chairman Nyklewicz stated that this would be the purview of the Personnel Committee and directed staff to follow-up on Supervisor West's recommendation.

ACTION BY: (MAYO) Approve the budget as recommended by the County Executive.
7-0

AYES: McCue, Coggs-Jones, Mayo, Johnson, Broderick, West & Nyklewicz (Chair) – 7

NOES: 0

EXCUSED: None

Maribeth Welchman

Maribeth Welchman, Committee Clerk

ORG. UNIT: 1921

BUDGET: Human Resource and Payroll System [Non-Departmental]

FINANCE & AUDIT COMMITTEE HEARING DATE: October 11, 2005

CASSETTE NO. 4, SIDE B, #663 to 5A-138

STAFF PRESENT:

County Board: Steve Cady

Department of Administration: Steve Agostini

County Executive: Ed Eberle

APPEARANCES: Ms. Linda Seemeyer, Director, Department of Administrative Services
Mr. Charles E. McDowell, Director, DHR
Mr. Bud Borja, Chief Information Officer, IMSD
Mr. William Domina, Milwaukee County Corporation Counsel

Supervisor Broderick questioned the oversight of the Ceridian contract, the security of personnel information and projected savings. Supervisor Mayo requested either monthly or quarterly reports on the progress of this conversion.

**ACTION BY: (MAYO) Approve the budget as recommended by the County Executive.
7-0**

AYES: Nyklewicz, Coggs-Jones, Mayo, Johnson, Broderick, West & McCue (Acting Chair)
– 7

NOES: 0

EXCUSED: None

Maribeth Welchman

Maribeth Welchman, Committee Clerk

ORG. UNIT: 1939

BUDGET: Retirement Sick Allowance Payments [Non-Departmental]

FINANCE & AUDIT COMMITTEE HEARING DATE: October 11, 2005

CASSETTE NO. 5, SIDE A, #140 to 234

STAFF PRESENT:

County Board: Steve Cady

Department of Administration: Steve Agostini

County Executive: Ed Eberle

Supervisor Nyklewicz asked for information regarding spending from this account for the period from 2000 to 2005. Supervisor McCue also requested information for 2006.

ACTION BY: (NYKLEWICZ) Approve the budget as recommended by the County Executive. 7-0

AYES: Nyklewicz, Coggs-Jones, Mayo, Johnson, Broderick, West & McCue (Acting Chair)
– 7

NOES: 0

EXCUSED: None

Maribeth Welchman

Maribeth Welchman, Committee Clerk

ORG. UNIT: 1950

BUDGET: Employee Fringe Benefits [Non-Departmental]

FINANCE & AUDIT COMMITTEE HEARING DATE: October 11, 2005

CASSETTE NO. 4, SIDE A, #620 to 4B-610

STAFF PRESENT:

County Board: Steve Cady
Department of Administration: Steve Agostini
County Executive: Ed Eberle

APPEARANCES: Mr. Charles E. McDowell, Director, Division of Human Resources (DHR)
Ms. Rae Anne Beaudry, Health Care System Consultants
Supervisor James Schmitt, Nineteenth District
Supervisor Paul M. Cesarz, Ninth District
Mr. Jerry Heer, Director, Department of Audits
Mr. Troy Hamblin, Director, Labor Relations
Ms. Patty Yunk, AFSCME, District Council 48
Mr. Jack Hohrein, Retirement System Manager, DHR

Supervisor Coggs-Jones expressed concern with the Disadvantaged Business Enterprise requirements in the Wisconsin Physicians Service (WPS) contract and requested more information. Supervisor Schmitt suggested that the Personnel Committee review this information.

Supervisor Cesarz WITHDREW amendment 1C003 asking the Department of Administrative Services to study development of and recommend funding mechanisms for a Tax Stabilization Fund, after agreeing with Chairman Nyklewicz's suggestion to pursue this proposal in the form of a resolution to the policy committee.

ACTION BY: (COGGS-JONES) Approve amendment 1C006 (as set forth below). 6-1

AYES: Coggs-Jones, Mayo, Johnson, Broderick, West & Nyklewicz (Chair) – 6

NOES: McCue - 1

EXCUSED: None

Amendment 1C006 by Supervisor Coggs-Jones: To amend the County Executive's 2006 Recommended Budget for Org. No. 1950 – Employee Fringe Benefits, by deleting the following narrative language contained on page 1950-4 and referring it to the Committee on Personnel as follows:

~~The County Executive will convene a County Executive Advisory Committee on Pensions in 2006 for the purpose of investigating and recommending possible future pension models and funding mechanisms. The Advisory Committee will consider transitioning the current pension system from a defined benefit system to a defined contribution, as well as~~

~~determining a proper employee pension contribution. These recommendations will be submitted by the County Executive to the County Board for consideration prior to the 2007 budget. An appropriation of \$100,000 is included in the Department of Administrative Services—Fiscal Affairs Division for the purpose of providing actuarial and consulting services to the advisory committee.~~

~~As part of the wage package, the County Executive will propose legislation to rescind the benefit enhancements adopted in 2000. Specifically, legislation will be proposed to reduce the pension multiplier from 2% to 1.6% and eliminate backdrop payments.~~

~~The Department of Administrative Services also recommends that the County Board adopt a policy that authorizes contribution variances over 30 years, instead of the current policy of 5 years.~~

This amendment would have \$0 tax levy impact.

| Org. No. | Department (or Capital Project) | Expenditure | Revenue (or Bonds) | Tax Levy |
|----------|------------------------------------|-------------|-----------------------|----------|
| 1950 | Emp. Fringe Benefits | \$0 | \$0 | \$0 |
| | | | | |
| TOTALS: | | \$0 | \$0 | \$0 |

ACTION BY: (WEST) Deny Amendment 1C004 (as set forth below). 7-0

AYES: McCue, Coggs-Jones, Mayo, Johnson, Broderick, West & Nyklewicz (Chair) – 7

NOES: 0

EXCUSED: None

Amendment 1C004 by Supervisor Cesarz

To amend the County Executive's 2006 Recommended Budget for Org. Unit No. 1950 – Employee Fringe Benefits, by adding the following language:

“In 2006 the County Board, using County Board staff, the Department of Audit and the Department of Administrative Services, will study methods to create a financing structure to assure a permanent funding source for Milwaukee County's pension and health care cost obligations. The study will focus on three possible mechanisms (or any combination thereof):

- Addressing current obligations and reducing future obligations by developing a competitive bidding process that would permit outside agencies, including other Counties, to bid on providing Milwaukee County services. Current Milwaukee County bargaining units would also be permitted to bid on these services.
- Selling Milwaukee County assets.

- Developing a prioritized list of which Milwaukee County services and functions will be eliminated in 2007 and beyond in order to fund current and future obligations.

The Department will present recommendations to the Committee on Finance and Audit in July 2006.”

This amendment will have no tax levy effect.

| Org. No. | Department (or Capital Project) | Expenditure | Revenue (or Bonds) | Tax Levy |
|----------------|------------------------------------|-------------|-----------------------|----------|
| 1151 | DAS | \$0 | \$0 | \$0 |
| TOTALS: | | \$0 | \$0 | \$0 |

Supervisor McCue in the Chair (Tape No. 4B-375)

Discussion ensued regarding the 8.5% unfunded liability and wage increases for nonrepresented and union employees. Mr. Hohrein stated that, in his position of Pension Board Secretary, he will do all that he can to obtain a response from the Pension Board on this issue as soon as possible.

ACTION BY: (NYKLEWICZ) Approve Amendment 1C005 (as set forth below). 6-1

AYES: Nyklewicz, Coggs-Jones, Johnson, Broderick, West & McCue (Acting Chair) – 6

NOES: Mayo - 1

EXCUSED: None

Amendment 1C005 by Supervisor Nyklewicz :

To amend the County Executive’s 2006 Recommended Budget for Org. No. 1972 – Wage Supplemental Account and 1950 – Employee Fringe Benefits, by reallocating \$6.5 million of expenditure authority in the Wage Supplemental Account earmarked for a 3% employee raise to Employee Fringe Benefits to supplement the retirement system contribution to reduce the unfunded liability obligation.

This amendment would have \$0 tax levy impact.

| Org. No. | Department (or Capital Project) | Expenditure | Revenue (or Bonds) | Tax Levy |
|----------------|------------------------------------|---------------|-----------------------|---------------|
| 1972 | Wage Supplemental | (\$6,500,000) | | (\$6,500,000) |
| 1950 | Emp. Fringe Benefits | \$6,500,000 | | \$6,500,000 |
| TOTALS: | | \$0 | | \$0 |

ACTION BY: (NYKLEWICZ) Lay over, as amended, pending receipt of additional information from the County Executive and Department of Administrative Services regarding unfunded liabilities and for a response from the Pension Board regarding their position on this matter. 7-0

AYES: Nyklewicz, Coggs-Jones, Mayo, Johnson, Broderick, West & McCue (Acting Chair)
– 7

NOES: 0

EXCUSED: None

Maribeth Welchman, Committee Clerk

10/18/2005:H:\Shared\Research Analysts\2006 Budget Documents\MINUTES\101105\1950minutes.doc

ORG. UNIT: 1961

BUDGET: Litigation Reserve Account [Non-Departmental]

FINANCE & AUDIT COMMITTEE HEARING DATE: October 11, 2005

CASSETTE NO. 4, SIDE A, #395 to 404

STAFF PRESENT:

County Board: Steve Cady
Department of Administration: Steve Agostini
County Executive: Ed Eberle

APPEARANCES: Mr. William Domina, Milwaukee County Corporation Counsel

ACTION BY: (MAYO) *Approve the budget as recommended by the County Executive.*
7-0

AYES: McCue, Coggs-Jones, Mayo, Johnson, Broderick, West & Nyklewicz (Chair) – 7

NOES: 0

EXCUSED: None

Maribeth Welchman

Maribeth Welchman, Committee Clerk

ORG. UNIT: 1969

BUDGET: Medicare Part D Revenue [Non-Departmental]

FINANCE & AUDIT COMMITTEE HEARING DATE: October 11, 2005

CASSETTE NO. 4, SIDE B, #625 to 662

STAFF PRESENT:

County Board: Steve Cady
Department of Administration: Steve Agostini
County Executive: Ed Eberle

APPEARANCES: Ms. Rae Anne Beaudry, Health Care System Consultants
Mr. Charles E. McDowell, Director, Division of Human Resources

ACTION BY: (NYKLEWICZ) Approve the budget as recommended by the County Executive. 6-1

AYES: Nyklewicz, Coggs-Jones, Johnson, Broderick, West & McCue (Acting Chair) – 6

NOES: Mayo - 1

EXCUSED: None

Maribeth Welchman

Maribeth Welchman, Committee Clerk

ORG. UNIT: 1972

BUDGET: Wage Supplemental Account

FINANCE & AUDIT COMMITTEE HEARING DATE: October 11, 2005

CASSETTE NO. 4, SIDE B, #612 to 624

STAFF PRESENT:

County Board: Steve Cady
Department of Administration: Steve Agostini
County Executive: Ed Eberle

ACTION BY: (MAYO) Lay over. 7-0

AYES: Nyklewicz, Coggs-Jones, Mayo, Johnson, Broderick, West & McCue (Acting Chair)
– 7

NOES: 0

EXCUSED: None

Maribeth Welchman

Maribeth Welchman, Committee Clerk